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House Bill 6299, An Act Concerning Fraud Against the State Government Administration and Elections Committee February 2, 2009

My name is Terry C. Wooding. I am Executive Vice President of Petra Construction Corporation in North Haven, Connecticut. I am submitting this written testimony to the Committee in strong <u>opposition</u> to House Bill 6299, An Concerning Fraud Against the State.

I have more than 30 years of experience in the construction industry in Connecticut. I am a member of the Board of Directors of Associated General Contractors of Connecticut and a member the National Board of Directors of the Associated General Contractors of America.

Petra Construction Corporation was established in 1953 and typically employs approximately 130 individuals. We provide high quality construction services for a wide variety of clients, including hospitals, colleges and universities, utility companies, museums, churches and many others. Our work includes new buildings, additions to existing buildings and renovations of existing buildings. In addition to typical general construction, we offer construction management, program management, and strategic alliances, allowing our clients to select the project delivery system which best suits their situation.

Our company performs virtually no public contracting or state construction work. This puts me in a unique position, in that I fully understand how the construction industry works, but our firm will not be impacted by this bill, so I can provide unbiased input.

I believe House Bill 6299 would provide a disincentive for construction in this state, which is of particular concern at a time of significant economic downturn. The bill adopts a false claims act, which would impose significant liability on all public contractors when they make a claim for payment. In my 30 plus years of experience, I have found the vast majority of contractors to be hard-working, diligent and honest, often facing daunting construction challenges, while complying with hundreds of laws, regulations and restrictions. On top of all of this, if this bill is passed, an innocent error on an invoice could put a contractor at risk of significant financial exposure and liability. More importantly, this bill is not necessary, as the State already has all the tools it needs to seek remedies under existing laws and under contracts it has with its contractors, should a problem arise. If the bill is enacted, many construction companies may decide that it no longer makes business sense to perform public work in Connecticut. This will lead to fewer employment opportunities and higher costs for the State. As a taxpayer, I feel the limited potential benefits of this bill are far outweighed by the potential costs that it will create.

I urge the Committee and the legislature to reject this bill.

Thank you for the opportunity to submit remarks to the Committee. If you have any questions or if you need additional information, please feel free to contact me at (203) 865-6043.

Respectfully submitted,

Terry Wooding

Executive Vice President